

Customer Delight, Repurchase Intentions and the Mediating Effect of Positive Word of Mouth

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Abstract- *The aim of this study is to examine how customer delight, a proven construct superior to the famous customer satisfaction, affects consumers to generate positive word of mouth and to behave positively to repurchase from the brand. The study also tests the mediating effect of positive word of mouth on the delight-repurchase relationship. The theory-driven model includes customer delight, positive word of mouth, and repurchase intentions. The study involves the participation of 302 consumers to examine the proposed hypotheses. Study findings suggest that customer delight is a significant predictor of positive word of mouth and intentions to buy from the brand of preference. The results also support the notion that positive word of mouth mediate the impact of customer delight on repurchase intentions. Additionally, the study shows that once positive word of mouth is introduced in the model for analysis, it helps to increase substantially the variance explained in dependent variable named repurchase intentions. This study advances the service marketing literature explaining the effect of emotion-customer delight, and the mediating role of positive word of mouth.*

General Terms- *Customer Behavior, Service Management, Service Marketing*

Keywords- *Customer delight; word of mouth; repurchase intentions; mediating effect; structural equation modeling*

1. INTRODUCTION

Customer delight is viewed as a significant antecedent in building and defining consumer evaluations and intentions to repeat a behavior (Meyer et al., 2017)[17]. Current research shows that customer delight is more powerful than customer satisfaction and service quality (Ahrholdt et al., 2017)[2] because delight primarily reveals higher-order and hedonic benefits (Maria et al., 2014)[16]. Consequently, this higher-level of positive emotion helps individuals to enhance the state of being enlivened and exhilarated and is considered as an emotional reaction that have elements of pleased, joy, thrilled, and excitement (Shaheen et al., 2018)[21].

Whereas customer satisfaction has been studied extensively in the last three decades supporting the idea that satisfaction has the power to meet or exceeds an individual's anticipation of either a tangible product or service (Ahrholdt et al., 2019)[1], customer delight happens when individuals sense a unanticipated, remarkable, and positive level of service delivery, so it is different and superior than simple evaluating subjectively perceived advantages attained from consuming a product or using a service (Roberts-Lombard & Petzer, 2018)[20]. This stronger level of customer emotion goes beyond customer satisfaction and it has become relevant for measuring customer evaluations, brand experience, and the two key manifestations of loyalty including PWOM and buying intentions (Ali et al., 2016[3]; Ludwig et al., 2017)[15]. Furthermore, the importance of using positive WOM to influence consumers to purchase and to visit the

brand in the future is viewed as the most effective marketing tool that organizations have. Delighted customers are more motivated and guided to be loyal, to repeat behaviors and to intend to pay higher prices than satisfied customers who have showed to be satisfied but they do not return to consume the brand products and services (Maria et al., 2014)[16]. Even more concerning is the fact that previous studies suggest that satisfied customers are not long-term brand loyal consumers (Dolnicar et al., 2015)[10]. This unexpected low influence of satisfaction on key brand and behavioral intention constructs is the driving force behind the continuous examination of customer delight (Roberts-Lombard & Petzer, 2018)[20].

However, more research still requires the attention of scholars surrounding this higher level of emotion named customer delight. For instance, some questions may include to know first what the key consequences of customer delight are? Second what the key antecedents of customer delight from an employee perspective are? Third, how customer delight affects behavioral intentions including loyalty, reviews, and price premium? Even when some researchers have examined some key roles of customer delight including its mediating effect, there is a limited empirical research exploring these key roles of customer delight. To address these gaps and advance the body of knowledge, the present research attempts to contribute by examining the key effects of customer delight on PWOM and by its influence on increasing hotel Repurchase Intentions for products and services. This study also evaluates the mediating role of PWOM on the

delight-Repurchase Intentions relationship. In doing so, this study presents important theory-based implications to practitioners and scholars aiming for costumer delight in a travel context. This research also shows that customer delight positively influences customers' PWOM, a construct that is generated by future and existent customers in relations to company products and services. PWOM are made available to a multitude of consumers and companies by face to face recommendations and by online reviews using company websites, social media networks, mobile and online communities. Finally, we show that PWOM is a strong predictor of Repurchase Intentions and a significant meditating variable between delight and intentions to book hotel products and services. The rest of the study is organized as follows. First a review of the constructs, theoretical support of the theory-based model is provided. Second, the study presents the two-step methodology and discusses the results and findings of the analysis. Next, the study presents a section for discussions, implications and future research.

2. UNDERPINNINGS AND RESEARCH HYPOTHESES

2.1 The Concept of Customer Delight

The construct of customer delight is receiving significant focus among scholars and industry experts. There are still limited studies about the antecedents and consequences of customer delight (Torres & Ronzoni, 2018)[23] while the construct of satisfaction has been extensively reviewed and studied (Dey et al. 2017)[9]. Customer delight, developed first in the psychology body of knowledge, is an emotion that combines high pleasure and joy and high arousal while the definition of customer satisfaction includes emotions and cognition (Kim et al., 2015)[13].

2.2 Measurement of Customer Delight

There is a confusion in the literature regarding the measurement of customer delight. The review of the literature shows distinct scales to measure customer delight (Barnes et al. 2016)[5]. The commonality among these distinct scales is that most of them have used using customer satisfaction scales as a point of reference. This study used one of the most accepted measurements of customer delight proposed by Finn (2012)[11]. Finn (2012)[11] examined customer satisfaction and customer delight by analyzing the linearity of how satisfaction impacts behaviors while controlling the effect of delight as a dissimilar variable. Finn's study measured delight as Gleeful, Elevated, and Delighted.

2.3 Customer Delight on PWOM

As previously mentioned, customer delight is defined as strong emotion that is a function of positive affect that goes beyond customer satisfaction. Customers are delighted when a service provider delivers a product and service that surpasses the upper customer tolerance. In contrast, customers are not delighted when a service provider delivers a service that are below the lower

customer standards. Customer delight can influence consumers to behave positively and to be loyal to the company (Phong & Nguyen, 2015)[19]. Specifically, customer delight is an emotion that influence consumers to generate PWOM. In this research, PWOM is defined as the informal communications spread from one individual to another individual through face-to-face encounters and online communities (Mittal et al., 2017)[18].

Current research suggests that delighted customers are likely to share their delightful experiences in conversations and in online communities by posting comments, reviews pictures and videos that become viral. PWOM will happen after the consumption of the product and the delivery of the service, when individuals are delighted they share their experiences with others through oral encounters that happen in real time. According to some researchers, customer emotions such as delight induces individual to feel surprise beyond their cognitive expectations (Crofts & Magnini, 2011)[8]. When this happens, consumers want to spread positive WOM and to inform others of their memorable experience (Ahrholdt et al., 2017)[2]. In summary, existent literature supports the notion that delighted individuals tend to disseminate their unforgettable experiences, to suggest the brand to other individuals, and to continue the relationship for future business with the service provider. Therefore, we proposed the following:

H1. Customer delight is positively related to PWOM

2.4 Customer Delight and Repurchase Intentions

The second outcome of behavioral loyalty is intentions to revisit and repurchase from the brand. Because it is known that customer delight influences customer loyalty that is a major marketing and branding goal for many organizations, research suggests that delight increases the willingness to buy a product (Ludwig et al., 2017)[15]. The intentions to buy a product can be understood by having the desired to buy either the same product or to buy a new product from the company. Conceptually, customer delight as a higher level of emotion may increase the perceived benefits and yield higher buying intentions and reduce the perceived advantages of switching service providers. In this negative scenario, customer delight helps companies to reduce the chances of consumers buying from other brands (Kim et al., 2015)[13]. Empirically, Meyer et al. (2017)[17] indicated that the concept of customer delight presents a stronger argument than the concept of customer satisfaction as customers tend to buy more and to repeat their visits. Other studies have suggested that delighted individuals tend to repurchase more, and they are willing to be loyal and pay higher prices (Loureiro & Kastenholz, 2011)[14]. Based on these arguments, we hypothesize that the effect of customer delight on buying intentions will be similar in the hotel context. Therefore:

H2. Customer delight is positively related to Repurchase Intentions.

2.5 PWOM and Hotel Repurchase Intentions

The conceptual and empirical contribution of PWOM messages in the hotel sector is well documented (Belarmino & Koh, 2018)[6]. Positive word of mouth provides key information to consumers in relation to a company. This positive communication element guides individuals in their decision-making process to either support or not a service provider (Mittal, Gupta, & Motiani, 2017)[18]. In this sense, PWOM presents incentives and advantages to encourage a brand and product selection, and in that way, it helps marketing experts to keep and attract potential new consumers. Some researchers suggest that PWOM helps to reinforce the level of connection between consumers and firms. PWOM tend to be stronger than negative comments (Bachleda & Berrada-Fathi, 2016)[4]. Other also suggest that PWOM has the capacity to persuade consumers to become loyal and to behave positively towards the brand by repeating purchases, by revisiting the brand, and by paying higher prices. In sum, the above information helps us to support the notion that consumers who spread positive comments and reviews of the brand will tend to repeat previous behaviors. In other words, PWOM positively impacts consumer decision-making process (Zhao et al., 2015)[24]. Therefore, the following hypothesis is proposed:

H3. PWOM is positively related to Repurchase Intentions.

2.6 The Mediating role of PWOM

The main justification for proposing that PWOM mediates the relationship between customer delight and Repurchase Intentions is that current literature is aligned to suggest that PWOM communications is developed mainly by the effect of exceeding expectations in a superior manner. Customer delight must be reflected in positive communications and reviews before influencing positively customers to repeat buying behaviors. The main argument is that not all customers who are delighted show high intentions to repurchase from the firm. Therefore, we expect that PWOM plays a mediating role between customer delight and Repurchase Intentions in the hotel sector. Consistent with this argument, we propose the following:

H4: PWOM mediates the relationship between customer delight and Repurchase Intentions.

3. METHODOLOGY

3.1 Sampling

To empirically test the model, a study of real consumers who purchased a hotel product or service was required. Participants were contacted through the use of the online

platform Amazon Turk (M-Turk). Participants were asked to have an IP address in U.S., an established evidence of presenting valid data. Additionally, they needed to pass several attention checks (selection of items deceives). Before completing the survey, participants were required to consider a recent book and used of a hotel product or service. If participants did not have a recent experience purchasing a product in this context, they were brought to the end of the survey. Similarly, responses who did not passed the attention checks were deleted. The criteria resulted in obtaining a final sample of 302 valid responses. This profile of the valid participants shows that the respondents consisted of 44.7% males and 54.6% of females with the largest age group of between 26 and 35 years old (41.1%) followed by the age group of 18-25 (19.9%) and age between 36-45 (18.2%). For the marital status, the majority of the sample are married (42.1%) followed by single (31.8%) and partnered (15.2%).

3.2 Survey and Measures

An online questionnaire consisting of formerly tested scales (adapted from the retail setting) was used to the theory-driven model. Customer delight scale (CDS) was evaluated with three items including “gleeful”, “elevated”, and “delighted” adapted from Finn (2005). PWOM scale was evaluated with the items “I would encourage friends and relatives to go to this hotel”, “I would recommend this hotel to others”, and “I would recommend this hotel to those who ask or seek my advice” adapted from Bove et al., 2009. Finally, repurchase intention scale (RIS) was assessed by two items adapted from Smith and Bolton (1998) including “I would visit this hotel again” and “I would go to this hotel more often” and “I am more likely to return to this hotel next time”

3.3 Analysis and Results

3.3.1 Reliability, Validity, and Model Fit

The valid sample was examined considering three phases. First, introductory statistics were attained using the Statistical Package for the Social Sciences (SPSS) 23. Second, a three-factor measurement model was assessed. Using the Analysis of Moments Structure software (SPSS AMOS 23.0) for the measurement and the structural model, the measurement model shows an acceptable model fit with the sample data: $\chi^2 = 53.37$, $df = 21$, $p < .001$; CFI = .986, IFI = .986, RMSEA = .072. Similarly, the reliability (Cronbach alpha and construct reliability (CR)) and validity of the items were evaluated. All items show Cronbach alpha and CR exceeding the recommended value of 0.70 (see Table 1).

Table 1. Reliability and Convergent Validity

Construct	Loadings	CR	Cronbach
Delight	0.82*	0.915	0.913
	0.92*		
	0.91*		
WOM	0.90*	0.947	0.945
	0.95*		
	0.93*		
Repurchase	0.92*	0.86	0.842
	0.72*		
	0.82*		

*** $p < 0.01$; ** $p < 0.05$; * $p < 0.001$; Composite Reliability = CR

As further results of the validity of the scales, Fornell and Larcker (1981) indicated that average variance extracted (AVE) for each construct must be contrasted with the shared variance between constructs. Three of the constructs included in the model show AVE values higher than 0.50, and no discriminant validity issues were

distinguished (see Table 2). After reliability, validity, and the measurement model were assessed, the structural model was examined to test the proposed hypotheses. The structural model shows an acceptable model fit with the sample data: $X^2/df = 2.5$, CFI = .985, IFI = .985, GFI = 0.96, RMSEA = .073.

Table 2. Correlations, AVE, Validity

	AVE	WOM	DEL	REP
	Correlation Matrix			
WOM	0.857	0.926		
DEL	0.782	0.378	0.884	
REP	0.675	0.769	0.387	0.822

Note: WOM, word of mounth; DEL, delight; REP, repurchashe; AVE, averance variance extracted. The square root of AVE is highlighted in bold.

3.3.2 Hypotheses Testing

After assessing that there were not validity and reliability issues, and the measurement and structural model show adequate model fit, the authors investigated the individual hypotheses. Figure 1 and 2 shows the results of the hypotheses.

The first hypothesis suggested that there is a significant positive relationship between customer delight and customers' PWOM. Findings from the current study suggested that customer delight has a significant positive impact on positive word of mouth (path coefficient = 0.38, $p < 0.001$). These findings demonstrated that consumers who feel gleeful, elevated and delighted tend to encourage friends to visit the hotel and to recommend the hotel to others.

The second hypothesis predicted that there is a significant positive relationship between customers delight and repurchase intentions. Findings from the present study indicated that customer delight has a significant positive impact on customers repurchases intentions (path coefficient = 0.11, $p < 0.05$). From the findings obtained for the H2 it may be concluded that the feelings of gleeful, elevation, and delight tend to significantly influence consumers to visit the hotel several times and to buy from the hotel of choice more often. As expected, the third hypothesis states that PWOM has a positive association with repurchase intention (path coefficient = 0.74, $p < 0.001$). Therefore, H3 is supported. We can conclude that customer who share their PWOM tend to repeat purchasing behaviors and tend to visit the firm more often.

Customer delight has the power to explain 15% of the variance in PWOM. Together, customer delight and PWOM explained 62% of the variance in repurchase intention.

3.3.3 Mediation Analysis

The central theoretical argument supporting the mediating effect of PWOM in the proposed model is that not all delighted customers will return to repurchase from the brand of preference. Thus, current literature supports the notion that PWOM clarifies the reason for the uneven association between customer delight and repurchase intentions. We have suggested that PWOM mediates the delight-repurchase relationship. The results suggest that this relationship is better explained through the mediating effect of PWOM. The central explanation for this is that delighted customers tend to repurchase from the brand because they have shared and received positive comments from the firm.

As shown in Figure 1., we tested first the direct effect of customer delight on repurchase intentions, the results of the direct path were shown to be significant (path coefficient = 0.38, $p > 0.05$). This direct effect of customer delight explained just 14% of the variance in repurchase intention. However, the mediating effect displays stronger path coefficients and higher variance explained. The mediating test indicates that once PWOM was incorporated in the analysis, the variance explained increased to be 62% suggesting a partial mediation model. Figure 2 shows the main and mediating effects of the proposed relationships.

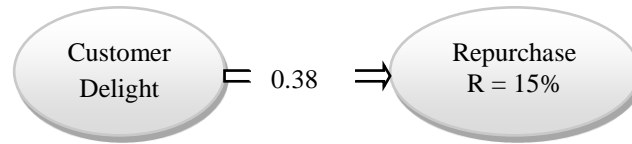


Figure 1. Direct Effects

4. DISCUSSION

The present research finds that customer delight plays a significant role in determining repurchase intentions and PWOM. Meyer et al. (2017)[17] suggested that delighted customers present a plus over satisfied customers as their repeat purchases are proved to be strong and more repetitive. Our contribution is that practitioners must be

focused and interested in developing skills and processes that delight customers in this way they will have the advantage of increasing sales and retaining customers. This research reveals that customer delight has the power to influence consumers to repeat sales and to return to buy other products from the firm.

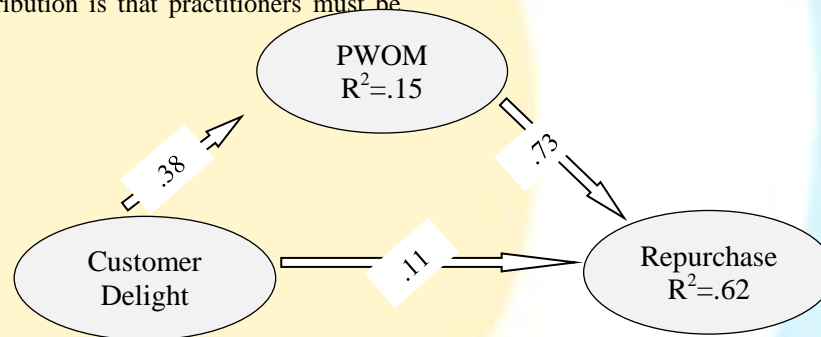


Figure 2. Complete Mediation Model

Note: Customer Delight; PWOM = positive word of mouth; Repurchase = repurchase intention

This research also suggests that practitioners must enhance and motivate consumers to share their memorable and delighted experiences through face to face communications and through online platforms such as social media and online communities. Additionally, this research findings support the notion that PWOM is an effective mediating variable to explain more the variance in repurchase intentions. In this study, once the PWOM was added to the analysis the variance explained jumped to be 62%, a very solid increase in the variance explained. This shows that when delighted customers share their experiences, this will highly motivate them and other to repurchase more from the brand.

This results also show that PWOM has a significant effect on repurchase intentions. PWOM motivates consumers to visit the firm in the future, to return more often and to have strong intentions of continuing buying from the brand without switching to other alternatives. Therefore, service and marketing efforts such as training and delivering excellent service have the power to motivate consumers to buy more and to share with others memorable experiences. Customers who experienced delight will have solid intentions to be advocates of the brand and to continue a long-term relationship with the brand of preference.

5. LIMITATIONS AND FUTURE RESEARCH

The present study presents some limitations and opportunities for future research. First, because the study is a case in the hotel and service sector, the results of testing a model in the retail industry may be different. We cannot generalize the results and implications of the study to other industries such as the manufacturing and retail industries. Further research may test the mediating effect of PWOM on the effect of customer delight and behavioral intentions such as repurchase intentions, loyal behaviors and the willingness to pay higher prices. Second, this study uses customer delight as a main antecedent, other constructs such as surprise and joy may be tested to examine their influence on motivating customers to share their experiences and to repurchase from the brand repeatedly. Future research may test the effect these constructs together in other settings as well including the online setting. Third, the model includes repurchase intentions as the only dependent variables, other variables must be important consequences of the direct effect of customer delight and the mediating effect of positive word of mouth. Future research may consider the analysis of price premium, brand loyalty, and brand commitment. Finally, this research project utilizes online surveys to collect the data in the service sector, this method could fail to evoke consumers' real emotions and behaviors. Other researchers may incorporate the

application of experimental techniques to establish real emotions, feelings and behaviors.

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